

Union Calendar No. 326

105TH CONGRESS
2^D SESSION

H. R. 4059

[Report No. 105–578]

Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 16, 1998

Mr. PACKARD, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any
4 money in the Treasury not otherwise appropriated, for the
5 fiscal year ending September 30, 1999, for military con-

1 struction, family housing, and base realignment and clo-
2 sure functions administered by the Department of De-
3 fense, and for other purposes, namely:

4 MILITARY CONSTRUCTION, ARMY

5 For acquisition, construction, installation, and equip-
6 ment of temporary or permanent public works, military
7 installations, facilities, and real property for the Army as
8 currently authorized by law, including personnel in the
9 Army Corps of Engineers and other personal services nec-
10 essary for the purposes of this appropriation, and for con-
11 struction and operation of facilities in support of the func-
12 tions of the Commander in Chief, \$780,599,000, to re-
13 main available until September 30, 2003: *Provided*, That
14 of this amount, not to exceed \$63,792,000 shall be avail-
15 able for study, planning, design, architect and engineer
16 services, and host nation support, as authorized by law,
17 unless the Secretary of Defense determines that additional
18 obligations are necessary for such purposes and notifies
19 the Committees on Appropriations of both Houses of Con-
20 gress of his determination and the reasons therefor.

21 MILITARY CONSTRUCTION, NAVY

22 For acquisition, construction, installation, and equip-
23 ment of temporary or permanent public works, naval in-
24 stallations, facilities, and real property for the Navy as
25 currently authorized by law, including personnel in the

1 Naval Facilities Engineering Command and other per-
2 sonal services necessary for the purposes of this appropria-
3 tion, \$570,643,000, to remain available until September
4 30, 2003: *Provided*, That of this amount, not to exceed
5 \$60,346,000 shall be available for study, planning, design,
6 architect and engineer services, as authorized by law, un-
7 less the Secretary of Defense determines that additional
8 obligations are necessary for such purposes and notifies
9 the Committees on Appropriations of both Houses of Con-
10 gress of his determination and the reasons therefor.

11 MILITARY CONSTRUCTION, AIR FORCE

12 For acquisition, construction, installation, and equip-
13 ment of temporary or permanent public works, military
14 installations, facilities, and real property for the Air Force
15 as currently authorized by law, \$550,475,000, to remain
16 available until September 30, 2003: *Provided*, That of this
17 amount, not to exceed \$37,592,000 shall be available for
18 study, planning, design, architect and engineer services,
19 as authorized by law, unless the Secretary of Defense de-
20 termines that additional obligations are necessary for such
21 purposes and notifies the Committees on Appropriations
22 of both Houses of Congress of his determination and the
23 reasons therefor.

1 MILITARY CONSTRUCTION, DEFENSE-WIDE

2 (INCLUDING TRANSFER OF FUNDS)

3 For acquisition, construction, installation, and equip-
4 ment of temporary or permanent public works, installa-
5 tions, facilities, and real property for activities and agen-
6 cies of the Department of Defense (other than the military
7 departments), as authorized by law, \$611,075,000, to re-
8 main available until September 30, 2003: *Provided*, That
9 such amounts of this appropriation as may be determined
10 by the Secretary of Defense may be transferred to such
11 appropriations of the Department of Defense available for
12 military construction or family housing as he may des-
13 ignate, to be merged with and to be available for the same
14 purposes, and for the same time period, as the appropria-
15 tion or fund to which transferred: *Provided further*, That
16 of the amount appropriated, not to exceed \$24,866,000
17 shall be available for study, planning, design, architect and
18 engineer services, as authorized by law, unless the Sec-
19 retary of Defense determines that additional obligations
20 are necessary for such purposes and notifies the Commit-
21 tees on Appropriations of both Houses of Congress of his
22 determination and the reasons therefor.

23 MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

24 For construction, acquisition, expansion, rehabilita-
25 tion, and conversion of facilities for the training and ad-

1 ministration of the Army National Guard, and contribu-
2 tions therefor, as authorized by chapter 1803 of title 10,
3 United States Code, and Military Construction Authoriza-
4 tion Acts, \$70,338,000, to remain available until Septem-
5 ber 30, 2003.

6 MILITARY CONSTRUCTION, AIR NATIONAL GUARD

7 For construction, acquisition, expansion, rehabilita-
8 tion, and conversion of facilities for the training and ad-
9 ministration of the Air National Guard, and contributions
10 therefor, as authorized by chapter 1803 of title 10, United
11 States Code, and Military Construction Authorization
12 Acts, \$97,701,000, to remain available until September
13 30, 2003.

14 MILITARY CONSTRUCTION, ARMY RESERVE

15 For construction, acquisition, expansion, rehabilita-
16 tion, and conversion of facilities for the training and ad-
17 ministration of the Army Reserve as authorized by chapter
18 1803 of title 10, United States Code, and Military Con-
19 struction Authorization Acts, \$71,894,000, to remain
20 available until September 30, 2003.

21 MILITARY CONSTRUCTION, NAVAL RESERVE

22 For construction, acquisition, expansion, rehabilita-
23 tion, and conversion of facilities for the training and ad-
24 ministration of the reserve components of the Navy and
25 Marine Corps as authorized by chapter 1803 of title 10,

1 United States Code, and Military Construction Authoriza-
2 tion Acts, \$33,721,000, to remain available until Septem-
3 ber 30, 2003.

4 MILITARY CONSTRUCTION, AIR FORCE RESERVE

5 For construction, acquisition, expansion, rehabilita-
6 tion, and conversion of facilities for the training and ad-
7 ministration of the Air Force Reserve as authorized by
8 chapter 1803 of title 10, United States Code, and Military
9 Construction Authorization Acts, \$35,371,000, to remain
10 available until September 30, 2003.

11 NORTH ATLANTIC TREATY ORGANIZATION

12 SECURITY INVESTMENT PROGRAM

13 For the United States share of the cost of the North
14 Atlantic Treaty Organization Security Investment Pro-
15 gram for the acquisition and construction of military fa-
16 cilities and installations (including international military
17 headquarters) and for related expenses for the collective
18 defense of the North Atlantic Treaty Area as authorized
19 in Military Construction Authorization Acts and section
20 2806 of title 10, United States Code, \$169,000,000, to
21 remain available until expended.

22 FAMILY HOUSING, ARMY

23 For expenses of family housing for the Army for con-
24 struction, including acquisition, replacement, addition, ex-
25 pansion, extension and alteration and for operation and

1 maintenance, including debt payment, leasing, minor con-
2 struction, principal and interest charges, and insurance
3 premiums, as authorized by law, as follows: for Construc-
4 tion, \$82,840,000, to remain available until September 30,
5 2003; for Operation and Maintenance, and for debt pay-
6 ment, \$1,097,697,000; in all \$1,180,537,000.

7 FAMILY HOUSING, NAVY AND MARINE CORPS

8 For expenses of family housing for the Navy and Ma-
9 rine Corps for construction, including acquisition, replace-
10 ment, addition, expansion, extension and alteration and
11 for operation and maintenance, including debt payment,
12 leasing, minor construction, principal and interest
13 charges, and insurance premiums, as authorized by law,
14 as follows: for Construction, \$130,457,000, to remain
15 available until September 30, 2003; for Operation and
16 Maintenance, and for debt payment, \$915,293,000; in all
17 \$1,045,750,000.

18 FAMILY HOUSING, AIR FORCE

19 For expenses of family housing for the Air Force for
20 construction, including acquisition, replacement, addition,
21 expansion, extension and alteration and for operation and
22 maintenance, including debt payment, leasing, minor con-
23 struction, principal and interest charges, and insurance
24 premiums, as authorized by law, as follows: for Construc-
25 tion, \$207,880,000, to remain available until September

1 30, 2003; for Operation and Maintenance, and for debt
2 payment, \$785,204,000; in all \$993,084,000.

3 FAMILY HOUSING, DEFENSE-WIDE

4 For expenses of family housing for the activities and
5 agencies of the Department of Defense (other than the
6 military departments) for construction, including acquisi-
7 tion, replacement, addition, expansion, extension and al-
8 teration, and for operation and maintenance, leasing, and
9 minor construction, as authorized by law, as follows: for
10 Construction, \$345,000, to remain available until Septem-
11 ber 30, 2003; for Operation and Maintenance,
12 \$36,899,000; in all \$37,244,000.

13 DEPARTMENT OF DEFENSE FAMILY HOUSING

14 IMPROVEMENT FUND

15 For the Department of Defense Family Housing Im-
16 provement Fund, \$242,438,000, to remain available until
17 expended: *Provided*, That of this amount, not to exceed
18 \$7,000,000 shall be the sole source of funds available dur-
19 ing the current fiscal year for planning, administrative,
20 and oversight costs incurred by the Housing Revitalization
21 Support Office relating to military family housing initia-
22 tives and military unaccompanied housing initiatives pur-
23 suant to 10 U.S.C. 2883, pertaining to alternative means
24 of acquiring and improving military family housing, mili-
25 tary unaccompanied housing, and supporting facilities.

1 HOMEOWNERS ASSISTANCE FUND, DEFENSE

2 For activities authorized by section 1013(d) of the
3 Demonstration Cities and Metropolitan Development Act
4 of 1966, as amended (42 U.S.C. 3374), \$7,500,000, to
5 remain available until expended.

6 BASE REALIGNMENT AND CLOSURE ACCOUNT, PART III

7 For deposit into the Department of Defense Base
8 Closure Account 1990 established by section 2906(a)(1)
9 of the Department of Defense Authorization Act, 1991
10 (Public Law 101–510), \$433,464,000, to remain available
11 until expended: *Provided*, That not more than
12 \$271,800,000 of the funds appropriated herein shall be
13 available solely for environmental restoration, unless the
14 Secretary of Defense determines that additional obliga-
15 tions are necessary for such purposes and notifies the
16 Committees on Appropriations of both Houses of Congress
17 of his determination and the reasons therefor.

18 BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV

19 For deposit into the Department of Defense Base
20 Closure Account 1990 established by section 2906(a)(1)
21 of the Department of Defense Authorization Act, 1991
22 (Public Law 101–510), \$1,297,240,000, to remain avail-
23 able until expended: *Provided*, That not more than
24 \$426,036,000 of the funds appropriated herein shall be
25 available solely for environmental restoration, unless the

1 Secretary of Defense determines that additional obliga-
2 tions are necessary for such purposes and notifies the
3 Committees on Appropriations of both Houses of Congress
4 of his determination and the reasons therefor.

5 GENERAL PROVISIONS

6 SEC. 101. None of the funds appropriated in Military
7 Construction Appropriations Acts shall be expended for
8 payments under a cost-plus-a-fixed-fee contract for con-
9 struction, where cost estimates exceed \$25,000, to be per-
10 formed within the United States, except Alaska, without
11 the specific approval in writing of the Secretary of Defense
12 setting forth the reasons therefor.

13 SEC. 102. Funds appropriated to the Department of
14 Defense for construction shall be available for hire of pas-
15 senger motor vehicles.

16 SEC. 103. Funds appropriated to the Department of
17 Defense for construction may be used for advances to the
18 Federal Highway Administration, Department of Trans-
19 portation, for the construction of access roads as author-
20 ized by section 210 of title 23, United States Code, when
21 projects authorized therein are certified as important to
22 the national defense by the Secretary of Defense.

23 SEC. 104. None of the funds appropriated in this Act
24 may be used to begin construction of new bases inside the

1 continental United States for which specific appropria-
2 tions have not been made.

3 SEC. 105. No part of the funds provided in Military
4 Construction Appropriations Acts shall be used for pur-
5 chase of land or land easements in excess of 100 percent
6 of the value as determined by the Army Corps of Engi-
7 neers or the Naval Facilities Engineering Command, ex-
8 cept: (1) where there is a determination of value by a Fed-
9 eral court; or (2) purchases negotiated by the Attorney
10 General or his designee; or (3) where the estimated value
11 is less than \$25,000; or (4) as otherwise determined by
12 the Secretary of Defense to be in the public interest.

13 SEC. 106. None of the funds appropriated in Military
14 Construction Appropriations Acts shall be used to: (1) ac-
15 quire land; (2) provide for site preparation; or (3) install
16 utilities for any family housing, except housing for which
17 funds have been made available in annual Military Con-
18 struction Appropriations Acts.

19 SEC. 107. None of the funds appropriated in Military
20 Construction Appropriations Acts for minor construction
21 may be used to transfer or relocate any activity from one
22 base or installation to another, without prior notification
23 to the Committees on Appropriations.

24 SEC. 108. No part of the funds appropriated in Mili-
25 tary Construction Appropriations Acts may be used for

1 the procurement of steel for any construction project or
2 activity for which American steel producers, fabricators,
3 and manufacturers have been denied the opportunity to
4 compete for such steel procurement.

5 SEC. 109. None of the funds available to the Depart-
6 ment of Defense for military construction or family hous-
7 ing during the current fiscal year may be used to pay real
8 property taxes in any foreign nation.

9 SEC. 110. None of the funds appropriated in Military
10 Construction Appropriations Acts may be used to initiate
11 a new installation overseas without prior notification to
12 the Committees on Appropriations.

13 SEC. 111. None of the funds appropriated in Military
14 Construction Appropriations Acts may be obligated for ar-
15 chitect and engineer contracts estimated by the Govern-
16 ment to exceed \$500,000 for projects to be accomplished
17 in Japan, in any NATO member country, or in countries
18 bordering the Arabian Gulf, unless such contracts are
19 awarded to United States firms or United States firms
20 in joint venture with host nation firms.

21 SEC. 112. None of the funds appropriated in Military
22 Construction Appropriations Acts for military construc-
23 tion in the United States territories and possessions in the
24 Pacific and on Kwajalein Atoll, or in countries bordering
25 the Arabian Gulf, may be used to award any contract esti-

1 mated by the Government to exceed \$1,000,000 to a for-
2 eign contractor: *Provided*, That this section shall not be
3 applicable to contract awards for which the lowest respon-
4 sive and responsible bid of a United States contractor ex-
5 ceeds the lowest responsive and responsible bid of a for-
6 eign contractor by greater than 20 percent: *Provided fur-*
7 *ther*, That this section shall not apply to contract awards
8 for military construction on Kwajalein Atoll for which the
9 lowest responsive and responsible bid is submitted by a
10 Marshallese contractor.

11 SEC. 113. The Secretary of Defense is to inform the
12 appropriate committees of Congress, including the Com-
13 mittees on Appropriations, of the plans and scope of any
14 proposed military exercise involving United States person-
15 nel thirty days prior to its occurring, if amounts expended
16 for construction, either temporary or permanent, are an-
17 ticipated to exceed \$100,000.

18 SEC. 114. Not more than 20 percent of the appro-
19 priations in Military Construction Appropriations Acts
20 which are limited for obligation during the current fiscal
21 year shall be obligated during the last two months of the
22 fiscal year.

23 (TRANSFER OF FUNDS)

24 SEC. 115. Funds appropriated to the Department of
25 Defense for construction in prior years shall be available
26 for construction authorized for each such military depart-

1 ment by the authorizations enacted into law during the
2 current session of Congress.

3 SEC. 116. For military construction or family housing
4 projects that are being completed with funds otherwise ex-
5 pired or lapsed for obligation, expired or lapsed funds may
6 be used to pay the cost of associated supervision, inspec-
7 tion, overhead, engineering and design on those projects
8 and on subsequent claims, if any.

9 SEC. 117. Notwithstanding any other provision of
10 law, any funds appropriated to a military department or
11 defense agency for the construction of military projects
12 may be obligated for a military construction project or
13 contract, or for any portion of such a project or contract,
14 at any time before the end of the fourth fiscal year after
15 the fiscal year for which funds for such project were ap-
16 propriated if the funds obligated for such project: (1) are
17 obligated from funds available for military construction
18 projects and (2) do not exceed the amount appropriated
19 for such project, plus any amount by which the cost of
20 such project is increased pursuant to law.

21 (TRANSFER OF FUNDS)

22 SEC. 118. During the five-year period after appro-
23 priations available to the Department of Defense for mili-
24 tary construction and family housing operation and main-
25 tenance and construction have expired for obligation, upon
26 a determination that such appropriations will not be nec-

1 essary for the liquidation of obligations or for making au-
2 thorized adjustments to such appropriations for obliga-
3 tions incurred during the period of availability of such ap-
4 propriations, unobligated balances of such appropriations
5 may be transferred into the appropriation “Foreign Cur-
6 rency Fluctuations, Construction, Defense” to be merged
7 with and to be available for the same time period and for
8 the same purposes as the appropriation to which trans-
9 ferred.

10 SEC. 119. The Secretary of Defense is to provide the
11 Committees on Appropriations of the Senate and the
12 House of Representatives with an annual report by Feb-
13 ruary 15, containing details of the specific actions pro-
14 posed to be taken by the Department of Defense during
15 the current fiscal year to encourage other member nations
16 of the North Atlantic Treaty Organization, Japan, Korea,
17 and United States allies bordering the Arabian Gulf to as-
18 sume a greater share of the common defense burden of
19 such nations and the United States.

20 (TRANSFER OF FUNDS)

21 SEC. 120. During the current fiscal year, in addition
22 to any other transfer authority available to the Depart-
23 ment of Defense, proceeds deposited to the Department
24 of Defense Base Closure Account established by section
25 207(a)(1) of the Defense Authorization Amendments and
26 Base Closure and Realignment Act (Public Law 100–526)

1 pursuant to section 207(a)(2)(C) of such Act, may be
2 transferred to the account established by section
3 2906(a)(1) of the Department of Defense Authorization
4 Act, 1991, to be merged with, and to be available for the
5 same purposes and the same time period as that account.

6 SEC. 121. No funds appropriated pursuant to this
7 Act may be expended by an entity unless the entity agrees
8 that in expending the assistance the entity will comply
9 with sections 2 through 4 of the Act of March 3, 1933
10 (41 U.S.C. 10a–10c, popularly known as the “Buy Amer-
11 ican Act”).

12 SEC. 122. (a) In the case of any equipment or prod-
13 ucts that may be authorized to be purchased with financial
14 assistance provided under this Act, it is the sense of the
15 Congress that entities receiving such assistance should, in
16 expending the assistance, purchase only American-made
17 equipment and products.

18 (b) In providing financial assistance under this Act,
19 the Secretary of the Treasury shall provide to each recipi-
20 ent of the assistance a notice describing the statement
21 made in subsection (a) by the Congress.

22 (TRANSFER OF FUNDS)

23 SEC. 123. (a) Subject to thirty days prior notification
24 to the Committees on Appropriations, such additional
25 amounts as may be determined by the Secretary of De-
26 fense may be transferred to the Department of Defense

1 Family Housing Improvement Fund from amounts appro-
2 priated for construction in “Family Housing” accounts,
3 to be merged with and to be available for the same pur-
4 poses and for the same period of time as amounts appro-
5 priated directly to the Fund: *Provided*, That appropria-
6 tions made available to the Fund shall be available to
7 cover the costs, as defined in section 502(5) of the Con-
8 gressional Budget Act of 1974, of direct loans or loan
9 guarantees issued by the Department of Defense pursuant
10 to the provisions of subchapter IV of chapter 169, title
11 10, United States Code, pertaining to alternative means
12 of acquiring and improving military family housing and
13 supporting facilities.

14 (b) Subject to thirty days prior notification to the
15 Committees on Appropriations, such additional amounts
16 as may be determined by the Secretary of Defense may
17 be transferred to the Department of Defense Military Un-
18 accompanied Housing Improvement Fund from amounts
19 appropriated for the acquisition or construction of military
20 unaccompanied housing in “Military Construction” ac-
21 counts, to be merged with and to be available for the same
22 purposes and for the same period of time as amounts ap-
23 propriated directly to the Fund: *Provided*, That appropria-
24 tions made available to the Fund shall be available to
25 cover the costs, as defined in section 502(5) of the Con-

1 gressional Budget Act of 1974, of direct loans or loan
2 guarantees issued by the Department of Defense pursuant
3 to the provisions of subchapter IV of chapter 169, title
4 10, United States Code, pertaining to alternative means
5 of acquiring and improving military unaccompanied hous-
6 ing and ancillary supporting facilities.

7 SEC. 124. (a) Not later than 60 days before issuing
8 any solicitation for a contract with the private sector for
9 military family housing or military unaccompanied hous-
10 ing, the Secretary of the military department concerned
11 shall submit to the congressional defense committees the
12 notice described in subsection (b).

13 (b)(1) A notice referred to in subsection (a) is a no-
14 tice of any guarantee (including the making of mortgage
15 or rental payments) proposed to be made by the Secretary
16 to the private party under the contract involved in the
17 event of—

18 (A) the closure or realignment of the installa-
19 tion for which housing is provided under the con-
20 tract;

21 (B) a reduction in force of units stationed at
22 such installation; or

23 (C) the extended deployment overseas of units
24 stationed at such installation.

1 (2) Each notice under this subsection shall specify
2 the nature of the guarantee involved and assess the extent
3 and likelihood, if any, of the liability of the Federal Gov-
4 ernment with respect to the guarantee.

5 (c) In this section, the term “congressional defense
6 committees” means the following:

7 (1) The Committee on Armed Services and the
8 Military Construction Subcommittee, Committee on
9 Appropriations of the Senate.

10 (2) The Committee on National Security and
11 the Military Construction Subcommittee, Committee
12 on Appropriations of the House of Representatives.

13 SEC. 125. Payments received by the Secretary of the
14 Navy pursuant to subsection (b)(1) of section 2842 of the
15 National Defense Authorization Act, 1993 (Public Law
16 102–484) are appropriated and shall be available for the
17 purposes authorized in subsection (d) of that section.

18 SEC. 126. It is the sense of the Congress that the
19 Secretary of the Army should name the “All American
20 Parkway” at Fort Bragg, North Carolina, as the “W.G.
21 ‘Bill’ Hefner All American Parkway”.

22 This Act may be cited as the “Military Construction
23 Appropriations Act, 1999”.

Union Calendar No. 326

105TH CONGRESS
2^D Session

H. R. 4059

[Report No. 105-578]

A BILL

Making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 1999, and for other purposes.

JUNE 16, 1998

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed